Share of manufacturing sector in GDP

1557. SHRIMATI PREMA CARIAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that manufacturing industry has a huge untapped potential in terms of contributing to the GDP and creating employment;

(b) what is the share of manufacturing industries in country's GDP and whether India is far behind from China in terms of its contribution towards GDP; and

(c) the various issues hampering the growth of this sector and the remedial measures taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) The share of manufacturing sector in GDP in India is 17 percent. As per the available information, the corresponding figure for China is 37 per cent.

(c) Move to a non-distortionary and internationally competitive tax and duty structure, technology upgradation, easing of infrastructural constraints and a calibrated reform of the regulatory mechanism along with an accomodative credit policy and enabling macro environment have been some of the measures taken by the government in this regard.

Generation of income by duties on petroleum products

1558. SHRI DHARAM PAL SABHARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are generating huge income by way to customs and excise duty on crude oil, petrol and diesel;

(b) if so, what was the income per barrel in terms of rupees of the above items when the Indian basket of imported crude oil was at $ 18 per barrel;

(c) what is the income by way of customs and excise duty on the above items during the last three months, month-wise; and

(d) whether any steps have been taken to reduce customs and excise duty on imported crude oil, petrol and diesel and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Based on the data furnished by the Ministry of petroleum & Natural Gas, the estimated customs & excise revenue from petroleum sector for the financial year 2005-2006 was Rs. 64738 crore. Customer & excise duty collection from petroleum sector during the said year was Rs. 62874 crore, which was Rs. 1864 crore *i.e.* 3% less than the estimated revenue.

(c) Provisional revenue collection figures from customs & excise duties during the first three months of the current financial year are given in the Statement *(See* below).

(d) In 2005 budget, the Government has reduced customs duty on crude from 10% to 5% on petrol and diesel from 15% to 10% and converted major portion of excise duty on petrol and diesel from *advalorem* to specific rates. In June 2006, the Government has further reduced customs duty on petrol and diesel from 10% to 7.5.%.

Statement

Provisional revenue collection figures from customs and excise duties

(Rs. in crore)

Sl. No.	Description	April 06	May 06	June 06	Total
Excise					
1	Crude oil	544	613	590	1747
2	Petrol	1282	1595	1575	4452
3	Diesel	1902	2000	2049	5951
4	Total	3728	4208	4214	12150
Customs					
1	Crude Oil	434	526	703	1663
2	Petrol	267	422	431	1120
3	Diesel	104	143	120	367
4	Total	805	1091	1254	3150